

United States  
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Agriculture

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# 2000 Annual Program Performance Report

## AGRICULTURAL MARKETING SERVICE



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**AGRICULTURAL MARKETING SERVICE**  
**FY 2000 ANNUAL PROGRAM PERFORMANCE REPORT**

AMS activities are authorized under the: Agricultural Marketing Act of 1946; Cotton Statistics and Estimates Act of 1927; Tobacco Inspection Act of 1935; Commodity Promotion, Research, and Information Act of 1996; Organic Foods Production Act of 1990; 12 free-standing commodity specific research and promotion statutes; Agricultural Marketing Agreement Act of 1937; Egg Products Inspection Act; Perishable Agricultural Commodities Act of 1930; Food, Agriculture, Conservation and Trade Act of 1990; and Food Quality Protection Act of 1996.

The mission of the Agricultural Marketing Service (AMS) is to facilitate the strategic marketing of agricultural products in domestic and international markets, while ensuring fair trading practices, and promoting a competitive and efficient marketplace, to the benefit of producers, traders, and consumers of U.S. food and fiber products. This mission is carried out through eight broad activities that encompass a wide range of programs.

The eight activities in AMS are: (1) market news; (2) standards, grading, and shell egg surveillance; (3) market protection and promotion; (4) transportation services; (5) wholesale market development; (6) payments to states and possessions; the (7) Perishable Agricultural Commodities Act program; and (8) strengthening agricultural markets and producer income (Section 32). Approximately seventy percent of the funds needed to finance AMS activities are derived from voluntary user fees. AMS provides services for private industry, State, and Federal agencies on a reimbursable basis, primarily in connection with the commodity grading programs.

More information regarding AMS programs can be found in the AMS Strategic and Annual Performance Plans. Only federal employees were involved in the preparation of this report.

The AMS website is [www.ams.usda.gov](http://www.ams.usda.gov)

The following table provides summary information on AMS achievement of FY 2000 Performance Goals.

<b>AMS PERFORMANCE SUMMARY</b>				
<b>Strategic Goal/ Management Initiative</b>	<b>FY 2000 Performance Goals</b>	<b>Performance</b>		
		<b>1999</b>	<b>2000</b>	
		<b>Actual</b>	<b>Target</b>	<b>Actual</b>
Goal 1: Facilitate the strategic marketing of U.S. agricultural products in domestic and international markets.	MARKET NEWS - Improve market efficiency by reporting timely and accurate information: Percentage of Market News reports released on time	90%	93%	92%
	GRADING - Maximize returns to producers and value to consumers: Weighted average grading cost per hundredweight, using constant (1990-92) dollar indexes on Prices Paid for Farm Services	\$0.08	\$0.08	\$0.08
	RESEARCH AND PROMOTION - Ensure legislative compliance without delaying research and promotion activities: Percentage of research and promotion board budgets and marketing plans approved within time frame goal	91%	91%	92%
	PESTICIDE DATA PROGRAM - Gather pesticide residue data for use in resolving dietary health risk issues and to lessen international non-tariff trade barriers: Pesticide Data Program percentage of sampling and analysis goal	100%	100%	100%
	TRANSPORTATION SERVICES - Provide technical assistance to shippers and carriers, provide economic analyses and recommend improvements to domestic and international agricultural transportation: Number of projects completed	5	6	6
	WHOLESALE MARKET DEVELOPMENT - Provide technical advice and assistance on new or upgraded wholesale market facilities and research changes in the marketplace for future product development: Number of projects completed	7	8	10

<b>AMS PERFORMANCE SUMMARY</b>				
<b>Strategic Goal/ Management Initiative</b>	<b>FY 2000 Performance Goals</b>	<b>Performance</b>		
		<b>1999</b>	<b>2000</b>	
		<b>Actual</b>	<b>Target</b>	<b>Actual</b>
Goal 1: Continued	PAYMENTS TO STATES AND POSSESSIONS - Provide matching funds to State agencies to conduct studies or initiate programs which address a wide range of agricultural problems and opportunities: The total dollar amount of grant requests received (millions)	\$3.5	\$3.3	\$3.6
	COMMODITY PURCHASE SERVICES - Stabilize market conditions by purchasing surplus commodities and provide purchasing services to FNS for food assistance programs: Commodity Purchase Services administrative costs in constant dollars as a percentage of commodity purchases	0.8%	1.5%	1.2%
Goal 2: Ensure fair and competitive agricultural marketing through marketing tools and regulations.	SHELL EGG SURVEILLANCE - Facilitate the marketing of consumer grade eggs by assuring that quality levels are maintained: Percentage of noncomplying shell egg lots that are reprocessed or diverted	100%	100%	100%
	PESTICIDE RECORDKEEPING - Monitor private applicators of Federally restricted-use pesticides: Percentage of Pesticide Recordkeeping sampling goal attained	100%	98%	104%
	FEDERAL SEED ACT PROGRAM - Prevent misrepresentation of seed in interstate commerce: Percentage of suspected Seed Act violation cases that are completed	90%	92%	108%
	PLANT VARIETY PROTECTION - Provide protection to developers of novel varieties of sexually reproduced plants: Percentage of Plant Variety Protection application processing goal completed	100%	100%	99%
	PERISHABLE AGRICULTURAL COMMODITIES ACT - Suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities: Percentage of informal PACA complaints completed within time frame goal	82%	85%	79%
	MARKETING AGREEMENTS AND ORDERS - Oversee and administer Marketing Agreements and Orders at the national level in a timely manner: Percentage of formal and informal rulemaking completed within internal time frames	94%	85%	96%
MI 1: Create and Maintain a vital workforce with appropriate skills and characteristics to serve a diverse base of customers.	Increase representation of women, minorities, and people with disabilities by FY 2000: Employment goal	51.9%	53.9%	52.3%
MI 2: Encourage and reward prudent financial stewardship, accountability, and improved business operations.	Convert AMS accounting records to the new USDA Foundation Financial Information System (FFIS) by the end of FY 2002	N/A	N/A	N/A

**Goal 1:** Facilitate the strategic marketing of U.S. agricultural products in domestic and international markets.

**Objectives:**

- 1) Collect and disseminate time-sensitive agricultural market information for domestic and foreign markets and ensure the data reported is accurate and consistent with current and future market needs.
- 2) Provide cost-effective agricultural commodity quality grading/certification services whereby market efficiency is enhanced and consumer gains exceed the cost of the service.
- 3) Provide timely and cost-effective oversight of industry initiated and financed research and promotion programs.
- 4) Implement national organic production and labeling standards, and implement an accreditation and certification program using those standards.

**Key Performance Goals**

<u>MARKET NEWS - Improve market efficiency by reporting timely and accurate information:</u>	
Percentage of Market News reports released on time	
<b>Target:</b>	93%
<b>Actual:</b>	92%
<u>GRADING - Maximize returns to producers and value to consumers:</u>	
Weighted average grading cost per hundredweight, using constant (1990-92) dollar indexes on Prices Paid for Farm Services	
<b>Target:</b>	\$0.08
<b>Actual:</b>	\$0.08
<u>RESEARCH AND PROMOTION - Ensure legislative compliance without delaying research and promotion activities:</u>	
Percentage of research and promotion board budgets and marketing plans approved within time frame goal	
<b>Target:</b>	91%
<b>Actual:</b>	92%
<u>PESTICIDE DATA PROGRAM - Gather pesticide residue data for use in resolving dietary health risk issues and to lessen international non-tariff trade barriers:</u>	
Pesticide Data Program percentage of sampling and analysis goal	
<b>Target:</b>	100%
<b>Actual:</b>	100%
<u>TRANSPORTATION SERVICES - Provide technical assistance to shippers and carriers, provide economic analyses and recommend improvements to domestic and international agricultural transportation:</u>	
Number of projects completed	
<b>Target</b>	6
<b>Actual:</b>	6
<u>WHOLESALE MARKET DEVELOPMENT - Provide technical advice and assistance on new or upgraded wholesale market facilities and research changes in the marketplace for future product development:</u>	
Number of projects completed	
<b>Target:</b>	8
<b>Actual:</b>	10
<u>PAYMENTS TO STATES AND POSSESSIONS - Provide matching funds to State agencies to conduct studies or initiate programs which address a wide range of agricultural problems and opportunities:</u>	
The total dollar amount of grant requests received (millions)	
<b>Target:</b>	\$3.3
<b>Actual:</b>	\$3.6
<u>COMMODITY PURCHASE SERVICES - Stabilize market conditions by purchasing surplus commodities and provide purchasing services to FNS for food assistance programs:</u>	
Commodity Purchase Services administrative costs in constant dollars as a percentage of commodity purchases	
<b>Target:</b>	1.5%
<b>Actual:</b>	1.2%

**2000 Data:** The 2000 data are final. AMS programs collect performance goal data based on their internal operations and records. AMS program managers have certified the accuracy of the data submitted for this report. AMS program review staffs review the collection of performance data to ensure that the accomplishment data being collected is based on actual performance and that the system to collect the data can be tracked and verified. AMS Compliance staff will include the review of performance measure data collection in any program review activities they conduct. They will be responsible for ensuring that the performance accomplishment data for agency level performance measures, especially those that include multiple agency components, can be verified and validated.

**Analysis of Results:** All programs under this strategic goal exceeded or met their performance targets, with only slight differences, all of which were within a reasonable tolerance. AMS Market News Program has improved its performance between 1999 and 2000, but missed its goal by 1%.

**Current Fiscal Year Performance:** Since FY 2000 performance has been satisfactory for most programs, only slight adjustments to the performance measures were necessary. The Market News program will work to fully reach its performance goal in fiscal year 2001 by increasing the monitoring of field offices obtaining information and working with industry to obtain the information in a more timely manner.

**Program Evaluations:** No strategic program evaluations were conducted.

**Goal 2:** Ensure fair and competitive agricultural marketing through marketing tools and regulations.

**Objectives:**

- 1) Reform the Milk Marketing Order Program pursuant to mandates of the 1996 Farm Bill.
- 2) Improve service to customers of the Perishable Agricultural Commodities Act (PACA) Program through modernization of licensing procedures and more timely handling of formal reparation complaints.
- 3) Increase knowledge of and compliance with Pesticide Recordkeeping requirements through the education of private, certified applicators of Federally restricted use pesticides.

**Key Performance Goals**

<u>SHELL EGG SURVEILLANCE - Facilitate the marketing of consumer grade eggs by assuring that quality levels are maintained:</u>	
Percentage of noncomplying shell egg lots that are reprocessed or diverted	
<b>Target:</b>	100%
<b>Actual:</b>	100%
<u>PESTICIDE RECORDKEEPING - Monitor private applicators of Federally restricted-use pesticides:</u>	
Percentage of Pesticide Recordkeeping sampling goal attained	
<b>Target:</b>	98%
<b>Actual:</b>	104%
<u>FEDERAL SEED ACT PROGRAM - Prevent misrepresentation of seed in interstate commerce:</u>	
Percentage of suspected Seed Act violation cases that are completed	
<b>Target:</b>	92%
<b>Actual:</b>	108%
<u>PLANT VARIETY PROTECTION - Provide protection to developers of novel varieties of sexually reproduced plants:</u>	
Percentage of Plant Variety Protection application processing goal completed	
<b>Target:</b>	100%
<b>Actual:</b>	99%
<u>PERISHABLE AGRICULTURAL COMMODITIES ACT - Suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities:</u>	
Percentage of informal PACA complaints completed within time frame goal	
<b>Target:</b>	85%
<b>Actual:</b>	79%
<u>MARKETING AGREEMENTS AND ORDERS - Oversee and administer Marketing Agreements and Orders at the national level in a timely manner:</u>	
Percentage of formal and informal rulemaking completed within internal time frames	
<b>Target:</b>	85%
<b>Actual:</b>	96%

**2000 Data:** The 2000 data are final for activities under this goal. AMS programs collect performance goal data based on internal operations and records. AMS program managers have certified the accuracy of the data submitted for this report. AMS program review staffs review the collection of performance data to ensure that the accomplishment data being collected is based on actual performance and that the system to collect the data can be tracked and verified. AMS Compliance staff will include the review of performance measure data collection in any program review activities they conduct. They will be responsible for ensuring that the performance accomplishment data for agency level performance measures, especially those that include multiple agency components, can be verified and validated.

**Analysis of Results:** All programs except for one under this strategic goal exceeded or met their performance targets, with only slight differences, all of which were within a reasonable tolerance. The only exception was the Perishable Agricultural Commodities Act program. The goal measures the completion of informal PACA complaints within a set time frame. The target for this goal was to complete 85% of the informal PACA complaints within the time frame. PACA completed 79% of the complaints received. The reason for the variance was due to the extra workload created by complaints of fraudulent inspections at the Hunts Point Terminal Market.

**Current Fiscal Year Performance:** Since FY 2000 performance has been largely satisfactory, only slight adjustments to the performance measures were necessary. The PACA program does not expect to have a recurrence of FY 2000 workload levels. Therefore, no change in the measure is necessary.

**Program Evaluations:** None conducted during FY 2000.

**Management Initiative 1:** Create and maintain a vital workforce with appropriate skills and characteristics to serve a diverse base of customers.

#### Key Performance Goal

<u>Increase representation of women, minorities, and people with disabilities by FY 2000.</u>	
<b>Target:</b>	53.9%
<b>Actual:</b>	52.3%

**2000 Data:** The 2000 data are final, based on official NFC personnel reports. AMS collects performance goal data based on the official records.

**Analysis of Results:** Our analysis indicates that although we increased our representation of women and minorities in fiscal year 2000, we did not meet our target. However AMS has steadily increased its percentage of women and minorities over the past 5 years between FY 1996 and FY 2000, AMS increased its percentage of women and minorities in the AMS workforce by 2.6%. Furthermore, AMS decreased its permanent workforce in FY 2000 by 76 employees due to program relocations and site consolidations necessary to maintain program efficiency and effectiveness, thereby hampering our efforts to meet our target.

**Current Fiscal Year Performance:** Although AMS was deficient by 1.6% in achieving its goal in FY 2000, the agency continues to maintain its commitment to increasing representation of women, minorities, and people with disabilities in the workforce.

**Descriptions of Actions and Schedules:** AMS will continue to strengthen its efforts to improve its performance to obtain our FY 2001 goal of 55.9% so that we can maintain a vital workforce with appropriate skills and characteristics to serve our diverse base of customers.

To increase the number of employees with disabilities, the Disability Employment Program has developed a five year Disability Employment Plan. The Plan was developed in response to executive order that the federal work place increase the number of employees with disabilities by one million by FY 2005. The plan promotes aggressive recruitment of employees with disabilities, through college recruitment, utilizing the workforce recruitment program for students with disabilities, and maintaining partnership with state vocational rehabilitation programs.

AMS programs will increase their usage of the Washington Intern for Native American Students Program (WINS), the Hispanic Association of Colleges and Universities Program (HACU), and the 1890 Scholar Program. We recently developed a cooperative agreement with Southern University to develop students interested in pursuing agricultural careers.

**Program Evaluations:** None conducted during FY 2000.

**Management Initiative 2:** Encourage and reward prudent financial stewardship, accountability, and improved business operations.

**Key Performance Goals**

Convert AMS accounting records to the new USDA Foundation Financial Information System (FFIS) by the end of FY 2002.
<b>Target:</b> n/a
<b>Actual:</b> n/a

Due to the timing of this project, there is no data available for this measure. AMS has begun planning for conversion in FY 2001 and will report progress against the goal when the information is available.